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Reply to  
Nashville Office

September 20, 2005

*Hand-delivered*

Chairman Ron Jones  
Attn: Sharla Dillon  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, Tennessee 37243-0505

RE: Wastewater Regulations Rulemaking  
IRM Utility, Inc. Comments; Docket No. 05-00105

Dear Chairman Jones:

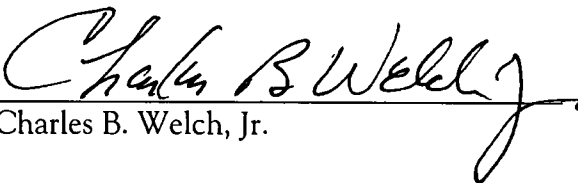
The revised, proposed rules regarding Chapter 1220-4-13 of the Wastewater Regulations represent an outstanding effort by the Agency staff to consider all long term contingencies associated with provisioning wastewater sewer services. These proposed rules clearly contemplate several of the concerns raised in our previously submitted comments regarding bonding issues, urban growth areas, and the long-term viability of public wastewater utilities. However, there is a new requirement in the revised draft that places an extraordinary and unnecessary burden on public wastewater utilities.

Specifically, 1220-4-13-.04(2) of the Wastewater Regulations requires that any public wastewater utility applying for a Certificate of Public Convenience and Necessity (CCN) possess a Tennessee Department of Environment and Conservation (TDEC) permit before receiving a CCN. It is not cost efficient for a company to move forward with detailed engineering work required for its TDEC application before the grant of a CCN by the Agency. Further, this rule is contrary to prior decisions by this Authority in which CCNs are issued prior to the issuance of the TDEC permit. Since the process for obtaining the operating permit is more costly in both time and money, it simply makes sense to allow for consideration of the CCN prior to the issuance of the permit. We suggest that the rule should be changed to allow for an order granting a CCN contingent upon the issuance of the permit. Such contingency should be automatically removed upon filing of a copy of the permit.

Thank you for your time and consideration in this matter.

Very truly yours,

FARRIS MATHEWS BRANAN  
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